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THE

Dan Smoot Report

Vol. 6, No. 17

(Broadcast 248)

April 25, 1960

Dallas, Texas



DAN SMOOT

THE GREAT PROGRAM

On February 16, 1960, President Eisenhower asked Congress to provide \$4,175,000,000 for aid to foreign nations during the year beginning July 1, 1960. This is about 1 billion dollars more than Congress appropriated for the year ending June 30, 1960. Of the amount asked for the 1960-61 fiscal year, 2 billion would be for military aid; 2 billion, 175 million would be for economic aid.

As usual, the President spoke of "Mutual Security" as a "Great Program," essential to peace, national defense, and prosperity. As usual, the President wrapped foreign aid in rhetoric as something which is "grounded in our deepest self-interest" and which "springs from the idealism of the American people."

And, as usual, the President's statements in behalf of the foreign aid program contradicted known facts. For example, the President said:

"The overwhelming support of the vast majority of our citizens leads us inexorably to mutual security as a fixed national policy."

If the readers of American newspapers know anything at all about current events they know that no other spending program of the federal government is so generally resented and despised as the foreign aid program. A more serious distortion of facts in the President's foreign aid message is in his reference to NATO (North Atlantic Treaty Organization). The President said:

"The nations of Europe are increasingly assuming their share of the common defense task Our NATO allies are . . . meeting their military needs to an increasing degree Of special importance is the maintenance of a strong and effective deterrent posture in the NATO alliance."

The known fact is that NATO as an effective military alliance — or even as a deterrent — against the Soviet Union simply does not exist, despite the billions we have poured into it. France (which is supposed to be the 'keystone' of our NATO defenses and which has received more U. S. aid than any other NATO power) has virtually withdrawn its forces from the NATO com-

THE DAN SMOOT REPORT, a magazine edited and published weekly by Dan Smoot, mailing address P.O. Box 9611, Lakewood Station, Dallas 14, Texas, Telephone TAYlor 4-8683 (Office Address 6441 Gaston Avenue). Subscription rates: \$10.00 a year, \$6.00 for 6 months, \$3.00 for 3 months, \$18.00 for two years. For first class mail \$12.00 a year; by airmail (including APO and FPO) \$14.00 a year. Reprints of specific issues: 1 copy for 25¢; 6 for \$1.00; 50 for \$5.50; 100 for \$10.00—each price for bulk mailing to one person.

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mand. For many months, Great Britain, Norway, Denmark, Belgium have consistently reduced their contributions (in manpower and otherwise) to NATO. Moreover, Western Europe, which our aid is supposed to hold together as a firm shield against the Soviets, is currently splitting into a trade war which threatens to become more vicious and divisive every day. The so called "Inner Six" countries of Europe (France, Germany, Italy, Belgium, Luxemburg, the Netherlands) are in bitter commercial conflict with the "Outer Seven" nations (England, Switzerland, Austria, Portugal, and the three nations of Scandinavia).

Concerning NATO as a "deterrent" or "shield" against the Soviet Union, the Citizens Foreign Aid Committee on February 15, 1960, said:

"The supporters of foreign aid in the form of military assistance never seem to question its soundness, yet today the actual allied defense picture is dark. After some 11 years of preparation, NATO surface forces defending Western Germany scarcely number 20 divisions, of which five are American. The present power ratio between the Soviet capability for attack and the European NATO capability for defense, is such that: . . .

"(a) The Red army could over-run Europe.

"(b) The Red air force and intermediate range ballistic missiles could destroy Europe in a matter of hours.

"This is the sad situation despite more than a decade of our military assistance.

"It is argued that aid to our allies materially strengthens our own defense. But the fact is our allies can neither defend us nor lend material support for our defense. The threat to the United States comes from the sky. Red bombers and missiles based in the Soviet Arctic and fired against us over the Polar Cap are the real threat to our survival. Our troops in Europe, and our allies there, are not even in the path of the attack against us. They have not the means to offer an effective defense against this ghastly Red threat which can be launched over the Polar Cap. Such a threat can be met principally by the retaliatory capability of SAC and by our own defensive measures over the North American continent. *Only Americans can defend America.*

"There is no assurance — should war come — that the Soviets will attack Europe. *Their real*

enemy is the United States. Suppose the Reds strike only the U. S. Would our NATO allies and other allies attack the Soviet Union? With what and how could they extend material assistance?

"Modern air-space-nuclear weapons have given a new meaning to alliances. Were war imminent, the Kremlin could threaten European NATO countries with total destruction — unless they declared their neutrality. And since the Soviets have the capability to destroy Europe, a neutral Europe appears almost inevitable.

"The population of NATO in Europe is half again greater than ours. The economy of Europe is flourishing. European NATO powers have the manpower and are financially able to provide such ground forces as they deem necessary. The truth is the military need for American troops in West Germany does not exist."

Brigadier General Bonner Fellers is National Director of the Citizens Foreign Aid Committee (Suite 335, 1001 Connecticut Avenue, N. W., Washington, D. C.). The roster of its national committee contains the names of some of the most distinguished Americans of our times.

MY PUZZLING CONCLUSION

In July, 1959, two issues of this *Report* dealing with foreign aid presented statistics compiled by the Legislative Reference Service of the Library of Congress, and published by the Government Printing Office as a 117-page study entitled *U.S. Foreign Aid: Its Purposes, Scope, Administration, and Related Information.*

The editor of the *Orem-Geneva Times*, a newspaper in Orem, Utah, sent my two *Reports* on foreign aid to Senator Wallace F. Bennett (republican, Utah), asking for his appraisal. Senator Bennett, feeling that my *Reports* were "neither carefully nor objectively written," sent them to the Legislative Reference Service of the Library of Congress for appraisal.

The Reference Service prepared a rather extensive commentary which is a very dull, and (I

think) very transparent and ineffective effort to discredit my criticism of foreign aid. If I think so, why bring it up? Only to quote one paragraph of the Legislative Reference Service's commentary as reflecting a selective blindness which seems to be commonplace in the federal bureaucracy.

The paragraph:

"One of Mr. Smoot's conclusions after examining the foreign aid program in general, is that it has 'been disastrous to the military security of the United States.' This is so, he feels, because Russia has moved from a shattered power in 1945 to possession of the inter-continental ballistic missile in 1959 and possible military supremacy over the United States. This is a puzzling conclusion, because it is hard to see a connection between United States aid to its friends and allies and the development by Soviet Russia of an ICBM. There is no reason to expect that this Soviet military progress would have failed to materialize if the United States had decided not to have a foreign aid program. . . ."

Senator Bennett himself could have explained my "puzzling conclusion" about foreign aid to our employees over in the Library of Congress. My "puzzling conclusion" involves simple, economic facts which Senator Bennett (when talking to voters back home) understands very well. Senator Bennett in his "Washington Roundup" newsletter to constituents, on March 9, 1960, said:

"Suppose the Federal Government today decided to spend no more money for new programs. Suppose we could be certain that not one new need would develop for Federal funds for the rest of this century, and that all we had to do would be to pay for the programs already authorized. How much of a bill do you think we would face?

"Hold on to your seat — the answer is \$1,000,000,000,000. In case all those zeroes throw you, that's one trillion dollars!

"How is this figure reached? Well, it's simply a tabulation of the cost of the 'built-in' costs in the Federal budget, the programs to which the government has committed itself, which require no new authorization. Some of these cost relatively little now, but will cost more as the years

go by. Take the veterans program, for example. Assuming that we have no more wars, and that all we must do is carry out the *existing* programs for veterans, this single item is going to cost about \$300 billion for pensions, compensation, widows' benefits, hospitalization, and other benefits. Add another \$30 billion for military retirement, and \$28 billion for civilian government employee retirement, and these expenses for *past* service reach a total of about \$350 billion.

"Then add the commitments on public works projects already under way, but which will have to be financed in future years (housing, highways, slum clearance, etc.), and you have another \$98 billion. Then, you must add the most inflexible of all built-in costs, interest on the national debt. Assuming that the debt doesn't increase (which is optimistic), we must add \$8 billion a year average interest cost during the next four decades, bringing the total up to \$768 billion. Add to this the obligation we still will be facing, the \$290 billion national debt itself, and you get a figure of one trillion, 58 billion dollars.

"And remember — this is all *beyond* the regular annual cost of government! It doesn't include such things as defense, government employees' salaries, postal expenses, government 'housekeeping' expenses, and other normal annual expenditures.

"Keep these figures in mind when you hear someone say that our national debt is not really too high, and that we must channel even more of our spending into public instead of private channels. Such people conveniently ignore the fact that our real indebtedness includes much more than the \$290 billion national debt, and that we have already obligated a large part of our national income for decades into the future.

"Remember that one-trillion-dollar price tag on *existing* programs, already authorized. And if you find it hard to visualize a trillion dollars, remember that a million dollars in \$1000 bills is a stack 12 inches high, a billion dollars is a stack 88 stories high; and a trillion is 1,000 such stacks.

"If you find those sums a strain on your imagination, you'll find them even more of a strain on your pocketbook!"

In other words, Senator Bennett seems to realize that taxes hurt, and that there is somewhere a limit to what the public can endure in the way of painful taxation. A government already in debt

one trillion dollars has just about reached that limit. This means that when we spend 4 billion dollars a year on foreign aid, we have to refrain from spending 4 billion dollars somewhere else. Senator Bennett's report makes it obvious that we have not been 'refraining' on the domestic subsidy and welfare programs which buy votes for politicians and provide jobs for federal employees. We have been economizing only on the *defense of America!*

The Soviet Union would have gone ahead with its missiles program, just as the Legislative Reference Service of the Library of Congress indicates, whether we had a foreign aid program or not. But if we had been spending tax money to develop missiles better than the Soviet missiles, and to develop a defense against theirs (instead of giving America's resources away to foreign governments, many of which are neither "friends" nor "allies" as the Legislative Reference Service implies all of them are) we would still have, in 1960, the same advantage over the Soviet Union that we had in 1945, when the Soviet Union was weak and war-shattered and we were *the* dominant power in the world — unless we assume that the socialistic economy of the Soviets is more efficient than our partially-free economy.

ECONOMIZING ON DEFENSE

What is the proof that we have been economizing on the defense of America, while squandering taxpayers' money elsewhere? Reflect on the obvious truth of the Citizens Foreign Aid Committee's statement that,

"Red bombers and missiles based in the Soviet Arctic and fired against us over the Polar Cap are the real threat to our survival."

Then reflect on this United Press International news story datelined in Washington, March 6, 1960:

"The Department of Defense will make a new cut in continental air defenses this month by disbanding the jet interceptor squadron that guards the huge Thule, Greenland, bomber base.

"Plans for elimination of the unit at the 'top-of-the-world' air base were disclosed by air officials in the wake of a Navy announcement that 32 radar picket ships will be withdrawn from the nation's air attack warning system in March and April.

"Both moves, dictated by a manpower and money squeeze, were ordered over the objection of General Laurence S. Kuter, commander of the joint U. S.-Canadian North American Air Defense Command. They were . . . approved by the Defense Department as a calculated risk the nation could afford to take.

"The Thule unit is a squadron of missile-armed F102 supersonic interceptors based astride one of the most likely transpolar bomber attack routes to North American targets. They . . . protect the Strategic Air Command installation from which retaliatory blows would be struck at Russia. . . .

"Under a money squeeze at the Pentagon, a field commander's force can be withdrawn despite his objections.

"The Air Force is faced with the problem of cutting from 105 wings on June 30, 1959, to 91 wings on June 30, 1961

"In the same two-year period, the Navy must cut 43 ships from its worldwide fleets.

"Faced with those prospects, and barred by international political-military considerations from reducing forces in Europe, the services have turned to proposals for cuts in the North American Air Defense System."

WHO UNDERSTANDS FOREIGN AID?

With the coming of spring, 1960, the foreign aid bill started its confusing pilgrimage through the committees of Congress. In April, the nation

began to get its annual dose of news stories about one committee of Congress "slashing" or "trimming" the President's foreign aid requests by several hundred millions of dollars, while another committee was "restoring the cuts."

None of it makes real sense to the taxpayers whose money is thus bandied around like a shuttlecock; but Congressman Otto Passman (democrat, Louisiana) made his annual attempt to let the people of America know who really does *understand* our foreign aid programs.

Congressman Passman pointed out that much of our foreign aid expenditures are *intended to aid* the American foreign aid lobby with a vested interest in perpetuating foreign-aid spending: manufacturers, industrialists, bankers, agricultural groups, who profit directly from foreign aid spending; universities, church organizations and government officials whose 'prestige' is involved; and thousands of federal employees whose plush jobs and foreign travel would end if foreign aid were terminated.

FIXED NATIONAL POLICY

One of the most significant lines in President Eisenhower's foreign aid message this year was his reference to the program as having become "fixed national policy."

Americans never would have accepted foreign aid as "fixed national policy" if it had been honestly proposed to them in such terms. It was not. Foreign aid was initiated as an *emergency* program. It was to be *temporary*, of short duration. When its time expired, however, its name was changed; and it was supplanted by a bigger foreign aid program.

First it was United Nations Relief and Rehabilitation — UNRRA, financed practically 100 per cent by America — to help war-ravaged countries and prevent them from going totali-

tarian; but a heavy percentage of UNRRA expenditures went to the Soviets and their satellites and became a principal means by which communism solidified its hold on central Europe.

Shortly after V-J day, we were told that a four billion dollar loan to the British was the only thing needed to start Europe on the road to peace and recovery.

Later, the Marshall Plan was going to cure everything in four years.

By the end of Truman's administration, Washington was already treating foreign aid as "fixed national policy" and high officials often made oblique references to it in that vein. But not until 1956 did the White House boldly ask for formal Congressional approval of foreign aid as a permanent feature of our foreign policy.

In his budget message of January 16, 1956, President Eisenhower not only asked for 4 billion, 860 million dollars in foreign aid for the next fiscal year, but asked Congress to authorize a Ten-Year Plan for foreign aid. Congress refused the Ten-Year Plan and the President has not proposed it since: he has just "inexorably" adopted foreign aid as "fixed national policy."

THE CHEAPNESS OF FOREIGN AID

President Eisenhower repeatedly assures us that dollars given in foreign aid buy us more defense than dollars spent at home. Our own skyrocketing defense budget gives the lie to that argument.

American taxpayers are helping subsidize foreign governments, which are easing the tax burden on their own citizens.

The money taken out of your salary each payday has provided your government with the millions needed for building private outhouses in the

Philippines and public bathhouses in Iran: bathhouses, incidentally, which the people of Iran did not need, did not want, and would not use after we built them.

How much of this has been going on?

It is impossible to say. Our foreign aid programs are so vast that they defy intelligible reporting. But here is a safe estimate: the federal government has already seized over a third of the total national wealth and sent it as gifts abroad where, in many cases, it was not wanted and not needed, and where, in most cases, it has been used to hurt the cause of human freedom.

FABLE AND FACT

What do our foreign aid programs do to freedom at home, here in America?

Let us suppose that tomorrow morning two fine looking young men ring your doorbell and identify themselves as agents of the federal government.

They politely explain that Mr. Eisenhower has decided to give one of your beds to the government of India, and they have come to pick it up.

You — perhaps a typical American housewife — say:

"Wait a minute! The beds in this house are mine, and I need them!"

The young men courteously reply:

"No, Ma'am, we have already checked into that. We have learned that you are a family of five and you have six beds. You can spare one. Mr. Eisenhower wants to give your spare bed to Mr. Nehru in India, so that he can give it to a big family of Indians who don't have any bed at all — who obviously need the bed more than you do."

You say:

"Now, look here! What I do with my furniture happens to be my business. Mr. Eisenhower has no right to send you in here to take my bed away from me!"

The young men, still quite polite, say:

"Oh yes, Lady, he does. We are doing this in what Mr. Eisenhower calls the enlightened self-interest of the nation."

"*What on earth do you mean by that?*" you demand.

The young men say to you:

"You see, it promotes the general welfare of the United States — it serves the enlightened self-interest of the nation — for Mr. Eisenhower to take your bed away from you and send it overseas as a gift, because that helps to check the spread of communism, and of course communism is the great enemy of this nation."

You, of course, want to fight communism; but it's still a little unclear how taking your bed away from you can achieve that end. The nice young federal agents explain it to you very patiently:

"You see, Lady, there are millions of people in India who don't have any bed at all, while you have one bed more than you need. Now, every time those Indians hear about this situation, they are filled with envy and hatred of all Americans.

There are all those Indians, sleeping in the streets or on straw or standing up (or however they sleep), and here you are with a bed that you are not even using. The communists keep telling them about this; Mr. Nehru himself tells them about it; and every time they hear it, more and more of them go communist. Now, as more of them go communist, communism grows stronger. And as communism grows stronger, the United States is in more danger.

"But by taking your bed away from you and sending it over to India to be used, Mr. Eisenhower is fighting all of this.

"When that big family in India gets your bed, they will realize that Americans are nicer people than communists, because communists have not given them any beds."

If, as we have supposed, you are a typical American housewife, you will probably at this point get out of your chair and say:

"Look! This is my house, and you get out of it!"

Up to now, the pleasant young federal agents have been scrupulously polite and patient. But now they can no longer be polite. They must display the naked power of government. They are obliged to say to you:

"Lady, stand aside. We have come to take one of your beds; and we are going to take it; and if you resist, we will put you in jail."

Before Senator Wallace Bennett sends this *Report* to the Library of Congress for an analysis, Senator Bennett and the research experts in the Library should understand that I fabricated this fable about the two federal agents and the bed. It is not an actual incident that has really occurred.

But what if it did occur? If such a thing happened to you tomorrow, would you believe that freedom is still alive in the United States? Is it likely to happen to you?

Worse than that has been happening to you for fifteen years. The government has not openly sent agents to seize anybody's bed, but government has been seizing your money (a part of your salary, the product of your labor — taking it out of your paycheck before you ever see it) and with that money has been buying everything imaginable to send as gifts to foreign governments.

What is the difference between the government's taking \$75 out of your wages to buy a bed and send it to India, and the government's actually coming into your home and seizing your \$75 bed and sending it to India?

If the government would limit itself to seizing articles of your household furniture and sending them abroad as gifts, the government would do far less damage to you, to the nation, to the cause of freedom in the world, than it does in seizing your money, because there would be public resistance and some limit to what the government could take. Moreover, and more importantly, your furniture in the hands of foreign governments could not be used against you. But with your money, government buys and sends abroad materials that may some day be used by your most

WHO IS DAN SMOOT?

Dan Smoot was born in Missouri. Reared in Texas, he attended SMU in Dallas, taking BA and MA degrees from that university in 1938 and 1940.

In 1941, he joined the faculty at Harvard as a Teaching Fellow in English, doing graduate work for the degree of Doctor of Philosophy in the field of American Civilization.

In 1942, he took leave of absence from Harvard in order to join the FBI. At the close of the war, he stayed in the FBI, rather than return to Harvard.

He served as an FBI Agent in all parts of the nation, handling all kinds of assignments. But for three and a half years, he worked exclusively on communist investigations in the industrial midwest. For two years following that, he was on FBI headquarters staff in Washington, as an Administrative Assistant to J. Edgar Hoover.

After nine and a half years in the FBI, Smoot resigned to help start the Facts Forum movement in Dallas. As the radio and television commentator for Facts Forum, Smoot, for almost four years spoke to a national audience giving both sides of great controversial issues.

In July, 1955, he resigned and started his own independent program, in order to give only one side — the side that uses fundamental American principles as a yardstick for measuring all important issues.

If you believe that Dan Smoot is providing effective tools for those who want to think and talk and write on the side of freedom, you can help immensely by subscribing, and encouraging others to subscribe, to *The Dan Smoot Report*.

implacable enemy to destroy you.

Billions of dollars worth of American goods have gone as gifts to Yugoslavia, whose communist dictator, Tito, has more sympathy and respect for the Soviet Union than for the United States. Our aid has built defense industries in the Bosnian Mountains of Yugoslavia, which are open and accessible from the East, almost impregnable from the West.

FIGHTING COMMUNISM

The pretext for foreign aid is that we are fighting communism, which exists in the Union of Soviet *Socialist* Republics. Communism is socialism.

Yet our foreign aid pays for socialism abroad. American dollars have kept socialism alive in Britain for years.

Mr. Nehru's openly announced plans are to convert India into a completely socialistic state. Most of the other governments of Asia and Europe are following the same course.

The enemy of freedom in the world is international socialism. Our foreign aid feeds — not fights — the enemy.

ONE ANSWER: STOP IT

The annual debate in Congress over whether to give 3 billion or 4 billion dollars in foreign aid is a sickening spectacle. If the intellectual and political leaders of our nation had any understanding of, or respect for, the Constitution, there would not be any debate, because there wouldn't be any foreign aid program. Nothing in the Constitution, stated or implied, authorizes such a program; and any federal taxing-and-spending program which the Constitution does not authorize is obviously unconstitutional.

If you are trying to decide whom to vote for this year — for Congress, for the Senate, or for President — try to find someone who stands firmly for ending all foreign aid. If you find him, you had better vote for him. If you can't find him, you had better realize that freedom needs your voice to help arouse a sleeping nation.

* * * * *

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